



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
BOARD FOR LICENSING CONTRACTORS
500 JAMES ROBERTSON PARKWAY, DAVY CROCKETT TOWER, SUITE 110
NASHVILLE, TENNESSEE 37243-1150
TELEPHONE: 800-544-7693 OR (615) 741-8307 OR FACSIMILE (615) 532-2868
www.state.tn.us/commerce/boards/contractors

GENERAL LIABILITY INSURANCE INFORMATION

Effective July 1, 2007, a new law requires all contractors to obtain General Liability Insurance in order to renew or apply for a contractor's license. In addition, workers compensation insurance is also required.

In order to comply with the new legislation, the Board has established the following as a "minimum" amount of coverage to obtain and a rulemaking will be held to discuss these amounts. Please check with your insurance provider, as they may advise to apply for more or additional coverage, based upon your individual needs and the amount of projects you perform.

<u>Contractor's License Monetary Limit</u>	<u>Minimum General Liability Insurance</u>
Up to \$500,000	\$100,000
\$500,001 to \$1,500,000	\$500,000
\$1,500,001 to Unlimited	\$1,000,000

The following is a summary of legislation SB1784, Public Chapter 130:

AN ACT to amend Tennessee Code Annotated, Title 62, Chapter 37 and Title 62, Chapter 6, relative to contractors.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-6-111(a)(1), is amended by inserting the following sentence at the end of that subdivision: "Any application for initial licensure or for renewal of licensure also shall be accompanied by an affidavit affirming that the applicant maintains general liability insurance and workers' compensation insurance and specifying the amount of such insurance as well as any other information the board may require."

SECTION 2. Tennessee Code Annotated, Section 62-37 (was deleted under a separate bill).

SECTION 3. This act shall take effect July 1, 2007, the public welfare requiring it.

(A rulemaking is tentatively being scheduled for November 27 or 28, 2007 in Nashville)